

AS

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 92-318-C - ORDER NO. 97-144
FEBRUARY 24, 1997

IN RE: Request of Vartec National, Inc. DBA) ORDER
Vartec Telecom for Revisions to its) CANCELLING
South Carolina Tariff to Introduce) BOND
Pre-paid Calling Service as a New) REQUIREMENT
Offering.)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the annual review of the bond requirement related to issuance of Pre-paid Calling Cards by Vartec National, Inc. DBA Vartec Telecom (Vartec or the Company).

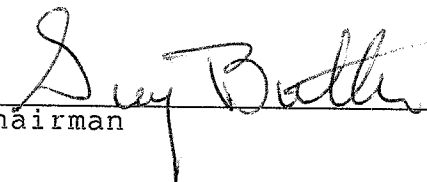
Order No. 92-915, dated October 21, 1992, granted Vartec the authority to issue Pre-paid Calling Cards. At the same time, the Order required that Vartec post a bond with the Commission by delivering to the Commission Certificates of Deposit, in the amount of \$5,000, and drawn in the name of the Public Service Commission of South Carolina. The Order went on to state that after twelve (12) months from the date of the Order, that the Commission would review the Company's financial reports and reassess the requirement of Vartec maintaining a bond. Vartec subsequently filed the \$5,000 Certificate of Deposit. The first annual review of the Company's financial reports took place, and by Order No. 95-1639, dated October 30, 1995, this Commission issued its Order continuing the bond requirement. Vartec now

comes back before the Commission requesting that its financials be re-evaluated, and that the Company be released from the bond requirement found in Order No. 92-915.

We have examined the financial statements submitted by Vartec, and are now convinced that the bond requirement should be relaxed in this matter. The Commission believes that Vartec has shown that its finances warrant relinquishment of the bond requirement. For this reason, we hereby hold that the bond may be cancelled and/or released, as we believe that Vartec is in reasonable financial shape to provide Pre-paid Calling Card Services to the consumers of South Carolina without the necessity of the security of the bond requirement.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)